

Change proposal:	<b>Grid Code D/12: Maintenance Standards</b>		
Decision:	The Authority <sup>1</sup> directs that the proposed change to the Grid Code <sup>2</sup> be made		
Target audience:	National Grid Electricity Transmission PLC (NGET), Grid Code users and other interested parties		
Date of publication:	16 January 2013	Implementation Date:	To be confirmed by NGET

## Background to the change proposal

The Grid Code requires that plant and apparatus connected to the National Electricity Transmission System (NETS), including protection systems, are tested and maintained to an appropriate safety standard (Connection Conditions (CC) 7.7). The current Grid Code text states that in Scotland and offshore the responsibility lies with the user, but is silent on who holds the same responsibility in England and Wales. Grid Code CC 7.7 also states that "an annual update on system fault levels is available as part of the Seven Year Statement" (SYS) produced by National Grid Electricity Transmission (NGET).

In September 2011, a Maintenance Standards Working Group (MSWG) was established by the Grid Code Review Panel (GCRP) to review CC 7.7, including the issue of how information about system fault levels on the NETS is published and notified. The MSWG considered the adequacy of information to users provided in the annual update, for example, notification of system fault levels increasing at a specific site without an explanation of the reasons.

In the course of the MSWG's review of CC 7.7, a number of alternative routes for obtaining this information were identified.<sup>3</sup> The MSWG concluded that sufficient alternative routes exist for users to obtain information about system level faults. These are the same whether a user is based in Scotland, offshore, or in England and Wales. The MSWG concluded that on this basis the reference in CC 7.7 to the SYS annual update should be removed. The MSWG noted that NGET could only produce the information for Scotland and offshore by relying upon information provided by the Relevant Transmission Owner.<sup>4</sup> A review of the current processes and how NGET receives information from the Relevant Transmission Owner is to be taken forward by the System Operator Transmission Owner Code (STC) Modifications Panel.

The MSWG noted the regional difference, suggested by the current Grid Code text, in the responsibility on users in Scotland and offshore for ensuring their plant and apparatus are tested and maintained, compared to England and Wales users. The MSWG recommended the removal of the relevant text as the responsibility lies, through legislation<sup>5</sup>, upon all users wherever they are located. The MSWG also noted the reference in CC 7.7 to "remain rated for the duty required" which is also a reference to the responsibility set out in legislation. The MSWG agreed that CC 7.7 would benefit from re-drafting to make explicit reference to the relevant legislation.

<sup>1</sup> The terms 'the Authority', 'Ofgem' and 'we' are used interchangeably in this document. Ofgem is the Office of the Gas and Electricity Markets Authority.

<sup>2</sup> This document is notice of the reasons for this decision as required by section 49A of the Electricity Act 1989.

<sup>3</sup> See pages 6-7 of the D/12 final report.

<sup>4</sup> The Relevant Transmission Owner is defined in the Grid Code.

<sup>5</sup> The relevant legislation is the Health and Safety at Work Act, the Electricity at Work Regulation and Electricity Safety, Quality and Continuity Regulations 2002. More details appear on the Health and Safety Executive's website: <http://www.hse.gov.uk/electricity/faq-esqcr.htm>

## **The change proposal**

Grid Code change proposal D/12 was raised by SSE Generation as a result of the MSWG's work. In July 2012, the GCRP agreed to progress the change proposal through an industry consultation. The proposal sought to address the following conclusions of the MSWG on the drafting of CC 7.7:

- the re-drafting of CC 7.7 to remove the apparent regional difference in responsibility for ensuring that users' plant and apparatus are tested and maintained to an appropriate safety standard, so it is clear that this applies to all users;
- the removal of the reference to the SYS annual update on system fault level information; and
- the clarification of the text "remain rated for the duty required" to make specific reference to the relevant legislation on testing and maintenance standards.

The responses to the industry consultation all supported the proposed change. However, one respondent considered that the specific references to the legislation in the revised CC 7.7 were inappropriate as the legislation used different terms and there was a risk of confusing users about their responsibilities for testing and maintenance. The respondent suggested removing the relevant draft text.

NGET considered the response and agreed to remove the draft text in CC 7.7 as the legislative requirements were already known and clear. The MSWG considered this further change and agreed to the removal of the draft text subject to NGET exploring whether further changes to the Connection and Use of System Code (CUSC) and the STC might be required as a result. The removed text is therefore not part of the proposed text in the final report.

## **NGET's recommendation**

NGET considers that the re-drafted CC 7.7 improves the clarity of the obligation on users, including the responsibility to ensure that their plant and apparatus are tested and maintained appropriately. These clarifications would, in NGET's view, better facilitate Applicable Grid Code Objectives (i), (ii) and (iii) by improving users' understanding of their obligations, leading to a secure and more efficiently operated NETS.

## **The Authority's decision**

We have considered the issues raised by the change proposal, the proposed revisions to Grid Code text, and further text changes made in response to industry views contained in the final Report dated 7 December 2012. We have considered and taken into account the responses to the industry consultation on the change proposal which are included in the final Report.<sup>6</sup> We have concluded that:

1. implementation of the change proposal will better facilitate the achievement of the objectives of the Grid Code<sup>7</sup>; and

---

<sup>6</sup> Grid Code proposals, final reports and representations can be viewed on NGET's website at: <http://www.nationalgrid.com/uk/Electricity/Codes/gridcode/consultationpapers/>

<sup>7</sup> As set out in Standard Condition C14(1)(b) of NGET's Transmission Licence, see: [http://epr.ofgem.gov.uk/document\\_fetch.php?documentid=14343](http://epr.ofgem.gov.uk/document_fetch.php?documentid=14343)

2. approving the change is consistent with the Authority's principal objective and statutory duties<sup>8</sup>.

### **Reasons for our decision**

Our views are set out against the Applicable Grid Code Objectives we consider are relevant to our decision. For the remaining objectives, we consider that the proposal has either a neutral or no impact.

*Applicable Objective (i) 'to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity'*

We agree that removing the apparent regional difference adds clarity. We understand that the difference was as a result of carrying over legal text from the Scottish Grid Code when changes were made to the Grid Code at the introduction of the British Electricity Trading and Transmission Arrangements (BETTA) in 2005. The revised text makes it clear that the obligation on testing and maintenance applies to all users of the NETS and not those in certain locations only.

We also agree that there are sufficient alternative routes to obtain information regarding system level faults that allow the removal of references to the SYS. The provision of this information through these alternative routes is dependent on the exchange of information in an effective way between Relevant Transmission Owners and NGET as required by the Connection and Use of System Code (CUSC) and the STC. Provided that Relevant Transmission Owners and NGET comply with the relevant obligations in these codes, the additional clarity provided through the re-drafting of CC 7.7 should allow the efficient operation of the NETS. We also note that NGET will in future produce an Electricity Ten Year Statement (ETYS) to replace the SYS and the Offshore Development Information Statement (ODIS) which covers development of the NETS. The removal of the reference to the SYS in the existing Grid Code may therefore be appropriate in any case.

We note the further revision made to the original proposed legal text. We agree that removing terms that are not reflected in the relevant safety legislation on testing and maintenance of electrical plant and apparatus should minimise potential confusion where the terms used are different while still providing all users with sufficient clarity on their obligations.

For these reasons, we agree that the change proposal better facilitates this Applicable Objective.

*Applicable Objective (iii) 'subject to sub-paragraphs (i) and (ii), to promote the security and efficiency of the electricity generation, transmission and distribution systems in the national electricity transmission system operator area taken as a whole'*

We agree that added clarity on the application of the testing and maintenance standards also ensures that users are more aware of their obligations. As a result, NGET is able to operate a secure transmission system for the benefit of all those connected to it. The additional clarity provided by the re-drafted Grid Code text should ensure that all parties - NGET, the Relevant Transmission Owner and the user - take responsibility for complying with the relevant legislative safety requirements.

---

<sup>8</sup> The Authority's statutory duties are wider than matters which NGET must take into consideration and are detailed mainly in the Electricity Act 1989 as amended.

For this reason, we agree that the change proposal also better facilitates this Applicable Objective.

**Decision notice**

In accordance with Standard Condition C14 of NGET's Transmission Licence, the Authority directs that change proposal Grid Code D/12: '*Maintenance Standards*' be made.

**Andrew Burgess**

**Associate Partner, Transmission and Distribution Policy**

Signed on behalf of the Authority and authorised for that purpose